

## WATER SERVICE DISCONNECTION AGREEMENT

This Water Service Disconnection Agreement (the “*Agreement*”) is made and entered into by and between MANVILLE WATER SUPPLY CORPORATION, a non-profit, member-owned corporation, created and operating pursuant to Chapters 49 and 67, Texas Water Code (“*Manville*”) and the CITY OF PFLUGERVILLE, TEXAS, a Texas home-rule municipality (the “*City*”). Manville and Pflugerville are herein referred to as the “*Parties*” of this Agreement. This Agreement is effective as of the date it is last executed by the Parties (the “*Effective Date*”), as evidenced by the signature pages below.

### RECITALS

**A.** Manville provides retail water utility service within its certificated area of service, as established by the Public Utility Commission of Texas (“*PUC*”) or its predecessor under Water Certificate of Convenience No. 11144 (“*Manville’s CCN*”).

**B.** Manville’s CCN includes areas located within the City’s corporate boundaries and extraterritorial jurisdiction, where the City provides retail wastewater utility service (collectively, the “*Disconnection Service Area*”).

**C.** Under this Agreement, Manville will disconnect water service (“*Disconnection Service(s)*”) for Manville’s and the City’s mutual customers (“*Mutual Customers*”) whose connections lie within the Disconnection Service Area, due to such customers’ failure to pay amounts due to the City or establish wastewater service with the City, as represented by the City to Manville (“*Customers to be Disconnected*”), all as permitted under applicable law.

**D.** Manville and the City entered into that certain Billing Agreement pursuant to Rule 30 TAC 291.88, made effective December 12, 2013 (“*Former Billing Agreement*”), under which the Parties agreed to certain terms, conditions, duties and responsibilities that were similar to those provided under this Agreement. The Parties acknowledge that former Rule 30 TAC 291.88 has been recodified as PUC Rule 16 TAC 24.167, and it does not apply to either Manville as a water supply corporation, nor the City as a municipal utility, as provided and defined therein. The Parties enter into this Agreement accordingly.

**NOW THEREFORE**, in consideration of the mutual terms, conditions, promises, and covenants set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

### AGREEMENT

Section 1      The preceding recitals are incorporated as part of this Agreement, for all purposes.

Section 2      In addition to other provisions of this Agreement, the City will perform its obligations to Manville, as described under this section.

- (a) Full List of Mutual Customers. Upon the Effective Date, the City shall provide Manville with an initial list of all of the City’s wastewater customers and addresses that lie within the Joint Service Area.
- (b) Disconnection List.
  - (1) Not later than 12:00 p.m. (noon) on the immediately preceding Business Day (as defined in Section 13 below) prior to the third Wednesday of each month, the City shall provide Manville with:
    - (i) A list of Customers, including their addresses, to be Disconnected (“***Disconnection List***”);
    - (ii) “Door hangers” for Manville to leave on the front doors of Customers to be Disconnected, after Manville performs the Services. If Manville is unable to access the front door of any Customer to be Disconnected, Manville will leave door hangers in a reasonably accessible, prominent location; and
    - (iii) The most recent written notice the City delivered to such Customers to be Disconnected, notifying them that their wastewater accounts are overdue and that they may be disconnected for nonpayment thereof.
  - (2) If during any month, the City fails to provide Manville with any information or compensation described within this Section 2 for any Customer(s) to be Disconnected, Manville may, in its sole discretion, elect not to perform Disconnection Services for that month. In such event, the City must submit a new Disconnection List to Manville for the following month. Manville will accept no substitutions for Customers to be Disconnected after the deadline in subsection 2(b)(1) has passed.
- (c) Reconnection of Service. In the event the City requests that Manville reconnect service for a Mutual Customer, Manville will do so, provided that the City must provide all reconnection requests to Manville not later than 2:30 p.m. of that Business Day. If Manville does not receive a reconnection request by that time, Manville will reconnect service the following Business Day.
- (d) Data requests. Upon written request from Manville, the City will provide Manville with requested data on mutual customers at no charge.
- (e) Compensation. The fees assessed to the City under this Section 2(d) shall be non-refundable. As compensation for Manville’s performance of the Disconnection Services, the City shall pay Manville:

- (1) An administration and subscription fee of \$500.00 (“**Subscription Fee**”), per month, payable by the City not later than 5:00 p.m. on the first (1<sup>st</sup>) day of each month, regardless of whether the City requests Disconnection Services, Consumption Reports (as defined in Subsection 3(g) below) or any other service under this Agreement;
- (2) A disconnection fee of \$100.00 per Mutual Customer that the City requests Manville to disconnect, which the City shall remit to Manville not later than 3:00 p.m. on the same Business Day the City submits to Manville the list of Customers to be Disconnected.

Section 3      Manville’s Obligations; Limitations; Provision of Additional Services. In addition to other provisions of this Agreement, Manville will perform its obligations to the City, as described under this section.

- (a) New Mutual Customers. Manville will notify the City of any new Mutual Customers for whom Manville begins providing water service. The Subscription Fee shall constitute compensation from the City to Manville for Manville’s provision of a list of new Mutual Customers under this Subsection 3(a).
- (b) Disconnection Services. On the third Wednesday of each month, Manville will disconnect water service to Customers to be Disconnected in accordance with Manville’s duly adopted practices and this Agreement.
- (c) Limit on Number of Disconnections. Notwithstanding any other provision of this Agreement, Manville will perform no more than 15 disconnections for the City per calendar month.
- (d) No Disconnection Services Due to Inclement Weather, Shortage in Personnel, Other Reasons. Manville expressly retains sole discretion to reschedule (or, in extreme circumstances, cancel) Disconnection Services due to weather or other Force Majeure (as defined in Section 6 below) conditions that could endanger the life or property of any person or Party.
- (e) No Collection of Payments from Mutual Customers. Under no circumstances will Manville accept payment from Mutual Customers, or any others, for unpaid bills of any kind due to the City.
- (f) Winter Averaging. Upon written request from the City to Manville not later than November 1 of each year, Manville will, from December 1 through February 28 (February 29 on leap years), perform winter averaging for Mutual Customers’ accounts. Manville will provide the City with a report on such averages not later than March 15 of the same year. The Subscription

Fee shall constitute compensation from the City to Manville for Manville's provision of services under this Subsection 3(f).

- (g) Consumption Reports. Upon written request from the City, Manville will provide the City with monthly water service consumption reports for any Mutual Customer (collectively, "**Consumption Report(s)**"). The City shall (i) submit the list of Mutual Customers in a format determined by Manville, and (ii) submit payment to Manville upon Manville's submission of an invoice to the City for services under this Subsection 3(g). Manville will not provide Consumption Reports before receiving compensation for such service. Manville will provide Consumption Reports within five (5) Business Days of receiving payment from the City. Compensation for Manville providing Consumption Reports shall be based on the number of Mutual Customers for which the City requests a Consumption Report, under the following fee tiers:

- (1) 1-10 Mutual Customers: no additional charge;
- (2) 11-20 Mutual Customers: \$75.00;
- (3) For more than 20 Mutual Customers, Manville will determine reasonable compensation, which shall not be less than the amount indicated in Subsection 3(g)(2) above.

Section 4 Right to Audit. Each Party reserves the right to audit, or hire an independent third party to audit, the other Party's records, internal controls, and processes solely regarding Disconnection Services performed under this Agreement. The Party requesting such audit shall be at that Party's sole expense.

Section 5 Termination.

(a) Notice; Final Compensation. This Agreement may be terminated by either Party, with or without cause, upon no less than 60 days' prior written notice to the other Party. In the event of termination, the City will compensate Manville for any services and expenses owed to Manville pursuant to this Agreement.

(b) Return of the City's Property. Upon termination of this Agreement for any reason, to the extent Manville maintains any records or other property relating to the City's customers within the Joint Service Area, Manville will relinquish such information to the City's designated representative. Manville shall do so without undue delay but within a reasonable amount of time.

Section 6 Force Majeure. The obligations of either Party to perform under this Agreement will be excused during each period of delay caused by acts of God, pandemic, war or terrorism, or by shortages of power or materials or government orders which are beyond the reasonable control of the party obligated to perform and prevents such party from performing ("Force Majeure Event"). In the event that either Party ceases to perform its obligations under this Agreement due to the occurrence of a Force Majeure Event, such Party shall (i) promptly notify the other Party in writing

of such Force Majeure Event and its expected duration; and (ii) take all reasonable steps to recommence performance of its obligations under this Agreement as soon as possible.

Section 7 Authority to Contract. Each Party represents and warrants to the other Party that the following are true, accurate and complete as of the Effective Date:

- (1) The Party has full right and authority to enter into this Agreement and to consummate the transaction described in this Agreement;
- (2) This Agreement constitutes the valid and legally binding obligations of the Party and is enforceable against the Party in accordance with its terms.

Section 8 Assignment. This Agreement is binding upon and inures to the benefit of the Parties, their successors, and assigns. This Agreement may not be assigned by either Party without prior written approval by the other Party.

Section 9 Waiver by Written Agreement. The Parties may waive any of the conditions contained herein or any of the obligations of the party hereunder, but any such waiver will be effective only if in writing and signed by the authorized representative of the party waiving such conditions or obligations.

Section 10 Entire Agreement. This Agreement constitutes the entire agreement among the Parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the Parties in connection therewith. Representations, warranties, covenants, agreements, or conditions that are not expressed in this Agreement will not be binding upon the Parties.

Section 11 Severability. If any provision of this Agreement is or should ever be held to be illegal, invalid, or unenforceable under any present or future law applicable to the terms hereof, that provision will be considered severed from this Agreement and the remainder of this Agreement will not be affected. In such case, the Parties will adhere to this Agreement closely as is reasonably possible.

Section 12 Counterpart Execution. To facilitate execution, this Agreement may be executed in multiple counterparts. All counterparts will collectively constitute a single instrument.

Section 13 Business Day. Under this Agreement, a “**Business Day**” is any day other than a Saturday, Sunday, or state or federal holiday. If the date upon which any duty or obligation must be performed occurs on a day other than a Business Day, then the due date for performance of that duty or obligation will be automatically extended to the next Business Day.

Section 14 Governing Law and Forum. This Agreement will be construed under and in accordance with the law of the State of Texas. All of the obligations contained in this Agreement are performable in Williamson County, Texas.

Section 15 Authorized Representatives and Addresses. Any deliveries made or notices required under this Agreement will be effective on the date of delivery if forwarded to a Party by hand-delivery to the address of the Party indicated below. Written notices given under this Agreement will be effective on the date of actual receipt if: (i) forwarded to a Party by hand-delivery to the address of the Party indicated below; (ii) transmitted to a Party by confirmed telecopy to the address of the Party indicated below; (iii) deposited with the U.S. Postal Service, postage prepaid, to the address of the Party indicated below; or (iv) by email to the address indicated below. The authorized representatives on the date of execution of this Agreement include the individuals listed below. Either Party may notify the other Party of changes in address or authorized representatives by written notice given in accordance with this Agreement.

**Manville:** Manville Water Supply Corporation  
Attn: General Manager  
P.O. Box 248  
Coupland, Texas 78615  
eprinz@manvillewsc.org and  
customerservice@manvillewsc.org.

With copy to: Manville Water Supply Corporation  
c/o ZTE Law, PC  
2900 W. Anderson Lane  
Ste. C-200, #354  
Austin, Texas 78757  
zac@ztevanslaw.com

**The City:** City of Pflugerville, Texas  
Attn:


Telephone: (512)  
Email:

With copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

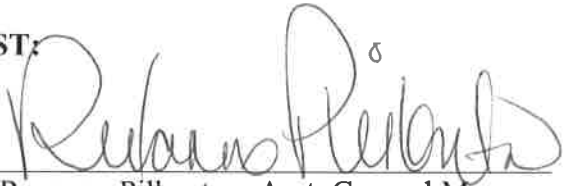
**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the dates written below.

*[Execution pages follow.]*

**MANVILLE WATER SUPPLY CORPORATION**

By:   
Erik Prinz, General Manager

Date: 3/24/2026

**ATTEST:**  
By:   
Rexanne Pilkenton, Asst. General Manager

Date: 3/24/2026

**CITY OF PFLUGERVILLE, TEXAS**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_